

The Collectors of Customs, Model Customs Collectorates, Appraisement (East / West)/ Port Qasim / Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad /Hyderabad/ Quetta (Appraisement / Preventive)/ Peshawar/ Gawadar/ Gilgit-Baltistan/ Exports (Karachi/Port Qasim)/Directorate of Transit Trade, Karachi

Determination of Customs Values of File Covers, File Folder, Pouches and Envelopes made of plastic Under Section 25-A of the Customs Act, 1969

(VALUATION RULING NO.1414 / 2019)

No. Misc/19/2017-II

Dated: 01 -11-2019

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of File Covers, File Folders, Pouches and Envelopes made of Plastic are determined as follows:-

2. **Background of the valuation issue:** Customs values of aforementioned items were earlier determined through Valuation Ruling No.1136/2017 dated 20-04-2017. The values given in the valuation ruling, being more than two years old, needed re-determination. Moreover, the Federal Board of Revenue vide CGO 15/2019 & CGO 17/2019 dated 13-09-2019 and 19-09-2019 respectively changed the Unit of Measurement (UOM) of a number of PCT codes, including those falling under said valuation ruling, for assessment purpose. This necessitated re-determination of customs values to bring it in conformity with the said CGOs. The Directorate General, therefore, initiated an exercise for re-determination of the Customs Values of subject items.

3. **Stakeholders' participation in determination of Customs values:** Meeting with stakeholders, including the importers and the representatives from the field formations, was held on 14.10.2019 in this Directorate General to discuss the issue of valuation of the subject goods. The stakeholders were also requested through meeting letter to furnish the following documents before or during the course of above said meetings: However, no one submitted the requisite documents.

- i. Invoices of imports during last three months showing factual value.
- ii. Websites, names and E-mail addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- iii. Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- iv. Copies of Sales Tax Invoices issued during last four months showing the difference in price (excluding duty and taxes) to substantiate their contentions.

4. **Method adopted to determine Customs values:** Valuation methods provided in Section 25 of the Customs Act, 1969 were duly applied in their regular sequential order to arrive at customs values of subject goods. The transaction value method as provided in Sub-Section (1) of Section 25 of the Customs Act, 1969 was found inapplicable due to wide variations of values

displayed in the import data. Thereafter, identical / similar goods value methods as provided in Sub-Sections (5) & (6) of Section 25 *ibid* were examined for applicability to the valuation issue in the instant case. The wide variations in declarations were observed. Information available was hence, found inappropriate. In line with the statutory sequential order of Section 25, this office conducted market inquiries under Sub-Section (7) of Section 25 of the Customs Act, 1969. Resultantly, Customs values of File Covers, File Folders, Pouches and Envelopes made of Plastic have been determined under section 25 (7) of the Customs Act, 1969 accordingly.

5. Customs values for File Covers, File Folders, Pouches and Envelopes made of Plastic: File Cover, File Folders, Pouches and Envelops made of Plastic, China Origin hereinafter specified shall be assessed to duty/taxes at the following Customs Values: -

S.No	Description of Goods	Weight Unit/Pc	PCT Code	Proposed PCT for WeBOC	Customs Values (C&F) USS Unit/Pc
1	Plastic File Cover with Metal Clip	110	3926.1000	3926.1000.1000	0.35
2	Plastic File without clip (sheet)	80	3926.1000	3926.1000.1100	0.25
3	Plastic Envelope Clear Bag (with or without Button / Zip)	15	3926.1000	3926.1000.1200	0.050
4	Plastic Pencil Pouch	13	3926.1000	3926.1000.1300	0.050
5	Plastic Expanding File Folder	365	3926.1000	3926.1000.1400	1.10
6	Plastic Clear Book		3926.1000	3926.1000.1500	0.40

Notes:

- i. *Consignments of sizes/weights mentioned in this Valuation Ruling may be assessed by the clearance Collectorates on prorata basis keeping in view the standard weight given in above table. However, in case the assessable customs values of such goods cannot be determined under section 25, then Section 81 of the Act, may be invoked and the transaction be referred to this Directorate for determination of its actual value.*

7. In cases where declared/ transaction values are higher than the Customs values determined in this Ruling, the assessing officers shall apply those values in terms of Sub-Section (1) of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account the differential between air freight and sea freight while applying the Customs values in this Ruling.

8. **Validity of this Valuation Ruling:** The values determined vide this Ruling shall be the applicable Customs value for assessment of subject imported goods until and unless it is rescinded or revised by the competent authority in terms of Sub-Section (1) or (3) of Section 25-A of the Customs Act, 1969.

9. **Revision of the value determined vide this Valuation Ruling:** A revision petition may be filed against this Ruling, as provided under Section 25-D of the Customs Act, 1969, within 30 days from the date of issue of this ruling, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

10. The Collectors of Customs may kindly ensure that the values given in this Valuation Ruling for the given description of goods are applied by the concerned staff without fail. Any anomaly observed may kindly be brought to the notice of this Directorate General immediately. Customs values determined in the ruling are for the descriptions and specifications as mentioned in this Valuation Ruling. HS Codes are mentioned for illustrative purposes so that Valuation Ruling values are made accessible to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certifications required thereon. In addition to this, it is necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section 15 of the Customs Act, 1969 or any other law in vogue therein.

10. ***This Valuation Ruling supersedes Valuation Ruling No. 1136/2017 dated 20-04-2017.***


(Shafique Ahmad Latki)
Director

Copy for information to: -

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisement), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad.
7. Chief Collector of Customs (Quetta).
8. Director General, Intelligence and Investigation-FBR, Islamabad.
9. Director General, Post Clearance Audit (PCA), & Internal audit, Karachi.
10. The Director General, IOCO, Karachi.
The Deputy Director (HQ) Directorate General of Customs Valuation, Karachi, for uploading in WeBOC database system and deleting superseded Valuation Ruling.
11. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
12. Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta, Gujranwala, Faisalabad, Sialkot, Rawalpindi & Peshawar.
13. Karachi Customs Agents Group, Bohri Road, Karachi.
14. Webmaster, Federal Board of Revenue, Constitution Avenue, Islamabad, for uploading on FBR website and deleting superseded *Valuation and their corrigendum*
- 15.. Guard File.